

Network Briefing: Focus on Chronically Ill Patients November 4, 2020

Because of COVID-19, NEQCA practices have fallen behind in seeing (and risk-coding) chronically ill patients, which could put these individuals at risk of developing additional health complications – and also could impact our Network’s ability to achieve 2021 Efficiency goals. In simple terms, if patients appear to be healthier than they actually are because of missing or inaccurate risk-coding, our payer-derived budgets will be accordingly, and wrongly, lowered.

NEQCA practices must spend the rest of 2020 prioritizing the care of these patients and, in the process, appropriately coding for their chronic conditions. Visits may take place in-office or by video telehealth. Clinical need must always drive the priority of who is seen and the type of visit, and it is essential to code accurately when seeing patients in person or online. NEQCA is working with its Local Care Organizations (LCOs) to provide High Priority Patient Outreach lists that should be used to identify patients who must be seen by year-end.

Background

The year 2020 has been unlike any other. NEQCA practices have been understandably consumed with ramping-up telehealth, implementing COVID-19 safety precautions, coping with disruptions in fee-for-service payments based on visit volume and securing loans to remain viable – leaving far less time to focus on Quality and Efficiency improvements.

Commercial and Government payers are beginning to confirm their plans for “protecting” NEQCA from the pandemic’s impact on 2020 Quality performance. In general, payers are not holding our Network accountable for meeting all of the 2020 Quality measures and will largely use our 2019 performance as a surrogate for 2020 (good news since 2019 was a strong performance year for NEQCA). The payers also have just released Q2 financial performance outcomes. Results are very strong due to the impact of COVID-19 on utilization, which positively impacts the Network’s Efficiency performance and total medical expense (TME).

These two factors – relief from 2020 Quality measure reporting and improved Efficiency due to the virus – are a mixed blessing. NEQCA is doing very well this year but those gains could be threatened next year due to two factors:

- **Inaccurate risk coding.** Risk adjustment is a methodology payers use to set patient care budgets. It involves appropriately coding chronic diagnoses during patient visits each calendar year. Accurate coding helps payers estimate chronic care costs and set Efficiency targets. If patients are not seen in a calendar year, their chronic diagnoses are not coded that year. As a result, payer budgets for the subsequent year may be insufficient. When large numbers of chronically ill patients are not seen, and coding adjustments are not made, it puts NEQCA practices, LCOs and the overall Network at significant risk of not achieving Efficiency goals.
- **Higher than expected 2021 utilization.** A disproportionate number of patients who deferred care in 2020 may seek it in 2021, driving TME higher than expected next year.

It is important to note that payers allow providers to risk-adjust patients following telehealth encounters. Some payers, however, exclusively allow for risk-adjustment after video sessions, not telephonic ones.